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**UNITED STATES BANKRUPTCY COURT
 FOR THE DISTRICT OF NEVADA**

In re
 CASH CLOUD, INC. dba COIN CLOUD,
 Debtor.

Lead Case No.: 23-10423-mkn

Chapter 11

**EX PARTE MOTION TO FILE UNDER
 SEAL AND/OR REDACT CERTAIN
 PORTIONS OF THE JOINT REPLY IN
 FURTHER SUPPORT OF MOTION TO
 APPROVE SETTLEMENT AGREEMENT
 WITH COLE KEPRO INTERNATIONAL,
 LLC PURSUANT TO FEDERAL RULE OF
 BANKRUPTCY PROCEDURE 9019**

**Date of Hearing: November 28, 2023
 Time of Hearing: 1:30 p.m.**

Cash Cloud, Inc. dba Coin Cloud (the “Debtor”) and the Official Committee of Unsecured Creditors (“UCC”), by and through their respective undersigned counsel, hereby respectfully submit this *Ex Parte Motion to File Under Seal and/or Redact Certain Portions of the Debtor and the*

1 *Official Committee of Unsecured Creditors' Joint Reply In Support of Joint Motion to Approve*
 2 *Settlement Agreement With Cole Kepro International, LLC Pursuant to Federal Rule of Bankruptcy*
 3 *Procedure 9019* (the "Motion to Seal"). This Motion to Seal is brought pursuant to Local Rule of
 4 Bankruptcy Practice of the United States Bankruptcy Court for the District of Nevada ("LR") 9018,
 5 Federal Rule of Bankruptcy Procedure ("Fed. R. Bankr. P.") 9018 and 11 U.S.C. §107(b).

6 The Debtor and UCC respectfully request that this Court enter an order sealing and redacting
 7 certain portions of their *Joint Reply In Further Support of Joint Motion to Approve Settlement*
 8 *Agreement With Cole Kepro International, LLC Pursuant to Federal Rule of Bankruptcy Procedure*
 9 *9019* (the "Joint Reply") and certain exhibits (the "Confidential Exhibits") attached to the
 10 *Declaration of Ryan J. Works Esq. in Support of Joint Reply In Further Support of Joint Motion to*
 11 *Approve Settlement Agreement With Cole Kepro International, LLC Pursuant to Federal Rule of*
 12 *Bankruptcy Procedure 9019*, each concurrently filed with the Court. The Joint Reply and
 13 Confidential Exhibits reference (i) certain financial materials produced by CKI (the "CKI
 14 Financials") that are confidential and subject to a non-disclosure agreement; and (ii) confidential
 15 deposition testimony regarding the value of certain of the Debtor's ongoing litigation.

16 For the reasons set forth below, Debtor and the UCC respectfully request that the Court grant
 17 the instant Motion to Seal and enter the proposed Order, concurrently uploaded to the Court with
 18 this Motion to Seal, on an *ex parte* basis without a hearing, to seal the above referenced Joint Reply
 19 and Confidential Exhibits from public viewing as outlined in this Motion.

20 **I. BACKGROUND**

21 On September 22, 2023, the Debtor and the UCC filed the *Joint Motion to Approve*
 22 *Settlement Agreement With Cole Kepro International, LLC Pursuant to Federal Rule of Bankruptcy*
 23 *Procedure 9019* [ECF No. 1295] (the "9019 Motion"), seeking approval of a settlement agreement
 24 (the "Settlement Agreement") between the Debtor, the UCC and Cole Kepro International, LLC
 25 ("CKI") resolving, among other things, certain litigation between the Debtor and CKI (the "CKI
 26 Litigation").

27 In connection with negotiating the Settlement Agreement, CKI produced to the Debtor and
 28 the UCC, on a confidential basis, certain financial materials for their review.

In addition, in connection with the anticipated objection to the 9019 Motion (the “9019 Objection”), Christopher McAlary (“McAlary”) served CKI with certain document requests that sought the production of additional financial materials. Such materials were produced pursuant to a non-disclosure agreement between McAlary’s counsel, Diamond McCarthy LLP, and CKI (the “NDA”), and subsequently shared with the Debtor and the UCC on a confidential basis.

On November 21, 2023, the Debtor and the UCC deposed McAlary regarding the 9019 Objection. Certain of the testimony given by McAlary concerned confidential information regarding his view of the strength and value of certain ongoing litigation claims of the Debtor (the “Ongoing Litigation Testimony”). At the deposition, counsel agreed that relevant portions of the testimony would remain confidential.

II. LEGAL ARGUMENT

Pursuant to LR 9018(a)(2), documents containing “Secret, Confidential, Scandalous, or Defamatory Matter” include those documents identified in Fed. R. Bankr. P. 9018, which provides:

On motion or on its own initiative, with or without notice, the court may make any order which justice requires (1) to protect the estate or any entity in respect of a trade secret or other confidential research, development, or commercial information, (2) to protect any entity against scandalous or defamatory matter contained in any paper filed in a case under the Code, ... If an order is entered under this rule without notice, any entity affected thereby may move to vacate or modify the order, and after a hearing on notice the court shall determine the motion.

Fed. R. Bank. P. 9018 contemplates a motion to seal such as this, without notice, in order to cure filing errors quickly, and to the benefit of all involved parties. Here, there is no reason why any entity affected hereby would move to vacate or modify the Order, as the Motion to Seal is to the benefit of CKI and the Debtor pursuant to its agreements with counsel to maintain the confidentiality of those materials, and McAlary, the other affected party, has access to the CKI Financials and the Confidential Exhibits under the NDA or other agreements with counsel, and McAlary himself gave the Ongoing Litigation Testimony. Thus, the Court should have comfort in entering the Order. In short, no entity will oppose, or move to vacate, the proposed *ex parte* Order if entered.

LR 9018 also provides:

(b) Motion to file under seal. No document will be filed with the Court under seal in the absence of a court order authorizing a sealed filing. Any party in interest seeking to have purported HSD and/or document(s) believed to contain SCSDM filed under seal must electronically file an appropriate motion (but not the purported HSD and/or document(s) believed to contain SCSDM themselves), unless the electronic filing of such a motion is prohibited by law, or such a motion is exempt or excepted from the court's electronic filing requirements.

If the motion itself is claimed to be HSD and/or is believed to contain SCSDM, the movant must serve and electronically file a redacted version of the motion, clearly marked as HSD and/or as containing SCSDM, and simultaneously submit an unredacted paper copy of the motion to the Court for *in camera* review.

11 U.S.C. §107(b) states:

On request of a party in interest, the bankruptcy court shall, and on the bankruptcy court's own motion, the bankruptcy court may (1) protect an entity with respect to a trade secret or confidential research, development, or commercial information.

Courts generally apply a compelling reason standard when considering motions to seal documents. *Pintos v. Pac. Creditors Ass'n*, 605 F.3d 665, 678 (9th Cir. 2010) (*quoting Kamakana v. City & Cty. of Honolulu*, 447 F.3d 1172, 1178 (9th Cir. 2006)).

Here, there are compelling reasons to seal and redact portions of the Joint Reply. The Joint Reply contains references to and attaches certain CKI Financials, which contain confidential financial information of CKI, all of which are confidential and some of which are the subject of a non-disclosure agreement. Additionally, the Joint Reply includes a reference to confidential information regarding McAlary's view of the strength and value of certain ongoing litigation claims of the Debtor. Debtor and the UCC request that the Court enter an order directing the Joint Reply be sealed and redacted as follows:

1. The redacted portions of paragraph 25 of the Joint Reply;
2. The redacted portions of paragraph 26 of the Joint Reply;
3. The redacted portions of paragraph 27 of the Joint Reply;
4. The redacted portion of paragraph 32 of the Joint Reply;
5. Exhibit 13 to the Declaration of Ryan J. Works, Esq. in Support of Joint Reply in Further Support of Joint Motion to Approve Settlement Agreement with Cole Kepro International, LLC Pursuant to Federal Rule of Bankruptcy Procedure 9019 ("Works Declaration")

6. Exhibit 14 to the Works Declaration
7. Exhibit 15 to the Works Declaration
8. Exhibit 16 to the Works Declaration; and
9. Exhibit 21 to the Works Declaration.

Dated this 22nd day of November 2023.

McDONALD CARANO LLP

/s/ Ryan J. Work

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Dated this 22nd day of November 2023.

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